



ACQUISITION,
TECHNOLOGY
AND LOGISTICS

THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

31 MAR 2003

MEMORANDUM FOR ASSISTANT SECRETARY OF THE ARMY (ACQUISITION,
LOGISTICS & TECHNOLOGY)
ASSISTANT SECRETARY OF THE NAVY (RESEARCH,
DEVELOPMENT & ACQUISITION)
ASSISTANT SECRETARY OF THE AIR FORCE (ACQUISITION)
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, NATIONAL RECONNAISSANCE OFFICE
DIRECTOR, NATIONAL IMAGERY AND MAPPING AGENCY
DIRECTOR, DEFENSE THREAT REDUCTION AGENCY
DIRECTOR, MISSILE DEFENSE AGENCY
DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY

SUBJECT: Priority Conflicts for Industrial Resources

Ongoing military operations have required the acceleration of procurement of certain weapons and equipment. These accelerated procurement activities have placed conflicting demands on the industrial resources necessary to fulfill them. In attempting to resolve these conflicts, some activities have assigned DX industrial priority ratings to certain contracts without authority. Such improper use is creating unnecessary confusion among DoD Component and contractor personnel, and has the potential to cause delays in delivering critical defense products to our warfighters.

DX rated programs are approved by the Secretary of Defense and are those programs determined to be of the highest national urgency based on military objectives. The standard to justify a DX program is high and must clearly meet the threshold of highest national urgency. The Secretary of Defense last authorized a DX rating for a program in 1995.

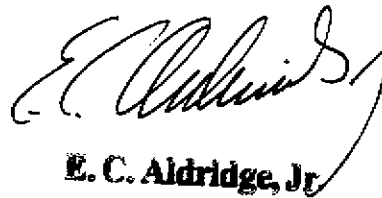
No DPAS user may change the priority level designation of a contract or purchase order from the DO rating to the higher priority DX rating without express written authorization from the Secretary of Defense. Only those programs listed on the attached DX-rated program listing are authorized to use a DX rating.

Industrial conflicts among programs will be resolved under the DPAS process known as Special Priorities Assistance (SPA). This process can be used to provide assistance to government buying activities, prime contractors, subcontractors and other suppliers in resolving conflicts for industrial resources. The SPA process is faster and more effective than requesting authorization to use a DX rating. I urge you to invoke the SPA process if assistance is needed to resolve industrial conflicts.



In order to ensure that the highest priority programs of the Secretary of Defense are given priority, I urge you to review your contracts to ensure those programs are correctly rated in accordance with DoDD 4400.1, "*Defense Production Act Programs*" and DoD 4400.1-M, "*Department of Defense Priorities and Allocations Manual*" and the attached program listing.

My project officer for DPAS related issues is Mr. Andrew Gilmour (703-607-4048 or e-mail: Andrew.Gilmour@osd.mil).



E. C. Aldridge, Jr.

Attachments:
DX-rated Program Listing

Department of Defense List of DX-Rated Programs

Department of Defense

Project Senior Star
Emergency Support Team Airlift Mission

Department of the Army

M-1 Abrams Tank

Department of the Navy

Fleet Ballistic Missile Weapon System, Trident System
Program 341
VH-3/VH-60 Presidential Support Helicopter (HMX-1 Squadron Quantico)
Tomahawk Missile System

Department of the Air Force

Intercontinental Ballistic Missile Modernization Program
Minuteman III
B-1B Aircraft
B-2 Aircraft
C-17 Aircraft
Conventional Air Launched Cruise Missile, Air Launched Cruise Missile, and Advanced Cruise Missile Programs
Program 390

Joint Service

Ballistic Missile Defense Programs

- Space Based Laser and Space Based Laser Integrated Flight Experiment Technologies
- Lower-Tier Programs (PATRIOT Advanced Capability [PAC-3], Navy Area Theater Ballistic Missile Defense System, Medium Extended Area Defense System)
- Upper-Tier Programs (Theater High Altitude Defense System, Navy Theater-Wide Defense System)
- National Missile Defense System (including Space Based Infrared Programs SBIRS-High and SBIRS-Low)
- Airborne Laser
- Ballistic Missile Defense Initiatives (Project Hercules, Ballistic Missile Defense Organization Targets Program)

MILSTAR Satellite Communications Program